



California Public Utilities Commission

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Press Release

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Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

PUC APPROVES INNOVATIVE PLAN TO MAKE ENERGY EFFICIENCY BUSINESS AS USUAL IN CALIFORNIA

SAN FRANCISCO, October 18, 2007 - The California Public Utilities Commission (PUC) today affirmed cost-effective energy efficiency measures as the state's highest energy priority by laying the foundation for making energy efficiency an integral part of "business as usual" in California.

The innovative strategies and approaches adopted by the PUC include:

- Directed the utilities to prepare a single, comprehensive statewide long-term energy efficiency plan;
- Adopted three initiatives:
 - All new residential construction in California will be zero net energy by 2020;
 - All new commercial construction in California will be zero net energy by 2030; and
 - Heating, Ventilation, and Air Conditioning industry will be reshaped to ensure optimal equipment performance;
- Developed the "next generation" of California utility energy efficiency programs for 2009-2011;
- Committed in the near term to adopting utility energy efficiency goals through 2020 and reaffirmed the PUC's previously adopted 2009-2011 goals; and
- Established new, collaborative processes with key business, consumer groups, and governmental organizations in California, throughout the West, nationally, and internationally.

"Given the path California has embarked on, we need to be thinking about how best to achieve our vision of reducing the state's carbon footprint while maintaining our quality of life and economic vitality," said PUC President Michael R. Peevey. "Our decision today seeks to ensure the

full range of stakeholders and market participants are taking the long-view with respect to energy efficiency, which is the most potent weapon we have in our arsenal as we work to address the grave challenge of climate change. Coordinated efforts between the utilities, the California Energy Commission, the business community, and government entities at all levels offer the very real opportunity to greatly expand the deployment of energy efficiency by leveraging the tools each respective entity has at its disposal to drive adoption of this important resource.”

“Energy efficiency must become a way of life in California if we are to meet the growing energy demand in the state and combat global warming,” said PUC Commissioner Dian M. Grueneich. “Our decision today offers new, bold strategies and approaches to making energy efficiency business as usual and implements commitments made by the PUC, 16 other major California organizations, and the Western states to aggressively pursue energy efficiency as part of the National Action Plan for Energy Efficiency.”

“This is yet another step toward ensuring that California is in the forefront of climate change mitigation,” said PUC Commissioner Timothy Alan Simon. “As a result of this decision, energy efficiency will be viewed as a resource deserving the same type of strategic thinking as already invested in new power plants.”

The PUC’s decision institutes a comprehensive, long-term energy efficiency strategy to achieve the ultimate goal of making energy efficiency a way of life. This goal reflects California’s Energy Action Plan II policy of energy efficiency as the resource of first choice to meet California’s growing energy demand. Energy efficiency is also projected to deliver a large portion of the greenhouse gas emissions reductions necessary to achieve the goals of the California Global Warming Solutions Act of 2006.

For more information on the PUC, please visit www.cpuc.ca.gov.

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